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## THE SECRETARY OF THE TREASURY WASHINGTON 20220

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July 27, 1983

MEMORANDUM FOR THE VICE PRESIDENT

THE SECRETARY OF STATE

THE SECRETARY OF DEFENSE

THE SECRETARY OF AGRICULTURE

THE SECRETARY OF COMMERCE

THE DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

DIRECTOR OF CENTRAL INTELLIGENCE UNITED STATES TRADE REPRESENTATIVE

ASSISTANT TO THE PRESIDENT FOR

NATIONAL SECURITY AFFAIRS

ASSISTANT TO THE PRESIDENT FOR POLICY DEVELOPMENT

CHAIRMAN, COUNCIL OF ECONOMIC ADVISORS

SUBJECT

IG-IEP Study of Proposed Barter Arrangements

Recently several proposals have been made concerning barter arrangements involving CCC commodities and strategic materials. They have included:

- Bills introduced in Congress to broaden CCC authority to enter into barter arrangements with our foreign trading partners;
- Agency proposals to dispose of specific CCC commodities or to acquire specific strategic materials through barter;
- Foreign government proposals for bartering strategic materials for CCC commodities; and
- Private sector proposals to assist agricultural exports through barter for strategic materials.

These proposals raise several policy issues which need to be addressed, such as those affecting: (1) trade policy; (2) CCC disposal policy; and (3) strategic stockpile acquisition and funding policies.

I have asked Marc Leland to chair a meeting of the IG-IEP to review these arrangements with the intent of developing a decision memorandum for SIG-IEP consideration. He will be in contact with representatives of your agencies shortly to arrange the meeting.

Donald T. Regan

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